

LOUISVILLE CITY FC SOCCER STADIUM/NEIGHBORHOOD DEVELOPMENT PLAN: [Details of the deal]

A \$200 million economic development project in the Butchertown neighborhood that will build a soccer stadium, along with hotel, offices and retail space.

City will buy the land; private investors will pay for the 10,000-seat stadium and develop the area around it.

The project will create jobs and eliminate a brownfield currently filled with storage tanks, storage facilities and used cars.

It will spark foot traffic to Butchertown, the Big Four Bridge and Botanical Gardens.

Allows the city to compete for an MLS franchise, boosting the potential for an amenity – pro soccer – that helps attract and retain young talent.

City's contribution is \$30 million general obligation bond to buy the land and make public infrastructure upgrades – leveraging public dollars for private investment.

Louisville City FC is responsible for 100 percent of the costs to build the stadium.

Louisville City FC will pay \$14.5 million back to the city over 20 years for the land cost.

In addition, if the stadium hits certain financial markers, the city has an opportunity to share in the upside of that growth, up to \$2 million.

Local people will fill the jobs. Construction will have 20% minority participation, 5% women participation, and 75% of workers must be from Louisville area.

How this project differs from the Yum! Center financing structure:

- ▶ The city will not build the soccer stadium or own it. The city contributes the land and eventually will be reimbursed for at least half that contribution.
- ▶ The bulk of the development costs come from private investment.
- ▶ Exit opportunities are built into the development agreement. For example, the city controls this valuable property until the deal proceeds. So the worst case scenario is that the city owns a valuable real estate asset.
- ▶ The city has no obligation to contribute to structures that are built as part of the development project.

